



Farmer Mac II Operations Update

“New Payment Remittance Procedures”

May 21, 2014

Webinar Agenda

- Online Loan Application (OLA) Update – Seller Profile
- Conterra Asset Management Introduction
- Important June-July Calendar Reminders
- Revised Loan Payment Remittance Procedures
- Review of New & Improved Collection Report
- Questions & Answers

Farmer Mac II – Eligible Loans

- USDA - Farm Service Agency (FSA)
 - Farm Ownership (FO)
 - Operating (OL)
 - Conservation Loan (CL)
- USDA -Rural Development
 - Community Facility (CF)
 - Business & Industry (B&I)
 - Water and Environmental Program (WEP)
- Farmer Mac II only purchases the guaranteed portions of these loans



Online Loan Application (OLA)

- Reduced loan settlement processing time
- Streamlined loan review process
- Reliable and secure database
- Centralized storage for documents and corrections
- Status Updates - Log in at any time to see the current status of a loan as it goes through full review and settlement
- 24-hour access allows you to submit or review loans outside of standard business hours

Online Loan Application: Logging In

Log in to the secure portion of www.farmermac2.com via the “Sign In” link

[Contact Us](#) | [Sign In](#) | [Go to Farmer Mac's Website](#)

FARMERMAC II LLC
Secondary Market for USDA Guaranteed Loans

[Lender Access](#) | [Program Description](#) | [Products](#) | [Reference Guide](#) | [Historical COFI Rates](#) | [Investors](#) | [Daily Rates](#)



About Farmer Mac II LLC

Farmer Mac II LLC is an operating subsidiary of the Federal Agricultural Mortgage Corporation (Farmer Mac). Established in 2009, Farmer Mac II LLC purchases the guaranteed portions of loans guaranteed by the United States Department of Agriculture under the Consolidated Farm and Rural Development Act of 1972.

Eligible USDA-guaranteed portions include Guaranteed Farm Ownership and Operating loans under the Farm Service Agency, Business and Industry, Community Facility Guaranteed and Water and Environmental Program loans under Rural Development.

The Farmer Mac II program provides financial institutions with an efficient and competitive secondary market for USDA guaranteed portions and enhances participants' ability to offer innovative products to their customers.

5

FARMERMAC
Serving Rural America

Online Loan Portal: My Profile

Click to access My Profile

| [Home](#) | [Contact Us](#) | [Sign Out](#) | [Go to Farmer Mac's Website](#)

FARMERMAC II LLC
Secondary Market for USDA Guaranteed Loans

[Lender Access](#) | [Program Description](#) | [Products](#) | [Reference Guide](#) | [Historical COFI Rates](#) | [Investors](#) | [Secure Access](#)

Farmer Mac II LLC - Rates

Posted on: 5/5/2014 10:06 AM ET
Serving Retained Net Yields

Product Types	Monthly Pay Cash	Monthly Pay 4-Week Rate Lock	Annual, S.A., & Qtrly Pay Cash	Annual, S.A., & Qtrly Pay 4-Week Rate Lock
Wall Street Journal Prime **	1.75%	N/A	1.75%	N/A
Farmer Mac 3-Mo COFI	1.40%	N/A	1.40%	N/A
Farmer Mac 5-Yr Reset COFI, 20, 25, 30-Yr Am	2.61%	2.70%	2.71%	2.80%
Farmer Mac 10-Yr Reset COFI, 20, 25, 30-Yr Am	3.58%	3.67%	3.68%	3.77%
Farmer Mac 15-Yr Reset COFI, 20, 25, 30-Yr Am	4.00%	4.09%	4.10%	4.19%
7-Yr Fixed Rate, 7-Yr Am	2.53%	2.62%	2.63%	2.72%
7-Yr Fixed Rate, 15-Yr Am	2.50%	2.59%	3.00%	3.09%
10-Yr Fixed Rate, 10-Yr Am	3.19%	3.28%	3.29%	3.38%
15-Yr Fixed Rate, 15-Yr Am	3.54%	3.63%	3.64%	3.73%
15-Yr Fixed Rate, 25-Yr Am	3.89%	3.98%	3.99%	4.08%
20-Yr Fixed Rate, 20-Yr Am	3.85%	3.98%	3.99%	4.08%

[My Profile](#)
[Daily Rates](#)
[Online Loan Application](#)

Online Loan Portal: My Profile Update

Review and update all contact information

Lender Access	Program Description	Products	Reference Guide	Historical COFI Rates	Investors	Secure Access
Farmer Mac II - My Profile <div> My Profile Daily Rates </div>						
Company Information Company Name: <input type="text" value="Federal Agricultural Mortgage Corp."/> Company ID: <input type="text" value="85883"/>						
My Information Last Name: <input type="text" value="Kerrigan"/> Middle Name: <input type="text"/> First Name: <input type="text" value="Patrick"/> Title: <input type="text"/> Address: <input type="text" value="1999 K Street"/> City: <input type="text" value="Washington"/> State: <input type="text" value="Dist. of Columbia"/> Zip: <input type="text" value="20036"/> Telephone: <input type="text" value="800-879-3276"/> Cell: <input type="text"/> Fax: <input type="text" value="202-872-7713"/>						
Access Information User Name: <input type="text" value="patrick_kerrigan@farmermac.com"/> Password: <input type="password" value="*****"/> Re-Enter Password: <input type="password" value="*****"/> <div> <input type="button" value="UPDATE"/> </div>						

7

FARMERMAC
Financing Rural America

Online Loan Application Tutorial

- Recorded Webinar available on www.farmermac.com under “Resources” tab, then “Recorded Webinars”
- Available as 50 minute presentation or printable pdf of slides

[home](#)
[contact us](#)
[login](#)

[About Us](#)
[Lenders](#)
[Borrowers](#)
[Investors](#)
[Resources](#)
[FAQ](#)

Resources

- Calendar of Events
- Farmer Mac Almanac
- Dave's GPS Link
- Recorded Webinars
- Seller/Service Guide

Recorded Webinars

Webinar Name	Notes	Duration	Date
Farmer Mac Refresh: Strategies for Marketing Your Farmer Mac Program	01	01:04:00	04/09/2014
Farmer Mac Refresh: Farmer Mac's Purchase Commitment Program - LTPSC Plan	01	00:30:00	03/12/2014
Farmer Mac Refresh: Road Map for Application Submission	01	01:05:00	02/12/2014
Farmer Mac Refresh: The Latest Ag News as We Begin 2014: Farm Bill, Interest Rates and CROES Conditions	01	00:58:00	01/08/2014
Farmer Mac Refresh: "Partners on the Line" Special Webinar for ABA Members	01	01:06:00	12/10/2013
Farmer Mac Refresh: Exploring USDA Guaranteed Loan Opportunities	01	01:02:00	11/20/2013
Farmer Mac II Webinar: Introducing Our New Online Loan Application	01	00:53:00	09/05/2013

8

FARMERMAC
Financing Rural America

Conterra Asset Management



9

Conterra Asset Management

- Headquartered in West Des Moines, Iowa
- Focused exclusively on agriculture
 - Paul Erickson, President & CEO
 - past founder & managing director of Agri-Access
 - Conterra team comprised of past insurance and ag banking professionals.
 - Conterra provides loan servicing, equity investment management and other services to agricultural investors



10



Conterra Services

- **Master servicing:** oversight and management of sub-servicers in portfolios with multiple originators or seller servicers
- **Primary servicing:** traditional loan servicing, private-label billing and collection, delinquency administration and investor reporting services
- **Special servicing:** asset management and loan workout expertise for non-performing loans
- **USDA Guaranteed Loan Master Servicing:** Rural Development (RD) loans including B&I Loans. This area extends to Community Facility and conservation loans.



11



Conterra Contact Information

- All contact information can be found at www.conterraag.com
- Email address for remittance reports and communication to Conterra staff
 - farmermac@conterraag.com
- Toll Free Phone Number
 - (855) 381-3451
- Address
 - 7755 Office Plaza Drive, North, Suite 195
 - West Des Moines, Iowa 50266



12



June – July 2014 Calendar Events



13

Calendar Reminders

June Dates

- June 12th – Last day for loan settlements through Colson
- June 10th – Last day for Collection Reports through Colson
- June 15th – Final Loan Remittance Invoice from Colson
- June 18th – Final Debit Date (Payments) to Colson
- June 19th – First day for loan settlements through Conterra
- June 19th – First day for Collection Reports through Conterra

June 2014						
Su	Mo	Tu	We	Th	Fr	Sa
29	30	27	28	29	30	31
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	1	2	3	4	5

July Dates

- July 10th – Collection Report deadline to Conterra
- July 17th – ACH Debit Date deadline to Conterra
- July 18th – Wire Transfer Date deadline to Conterra

July 2014						
Su	Mo	Tu	We	Th	Fr	Sa
29	30	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2
3	4	5	6	7	8	9

14



New Payment Remittance Procedures



15

Collection Report Revisions

COLSON REPORT - OLD	CONTERRA REPORT - NEW
Farmer Mac Series #	Farmer Mac Series #
Loan Payment Due Date	Loan Payment Due Date
	Payment Received Date
	Beginning Balance \$
Note Rate %	Note Rate %
Int From	Int From
Int To	Int To
# of Days	# of Days
Interest \$	Interest \$
Principal \$	Principal \$
Unscheduled P \$	
Total \$	Total \$
	Guarantee %
	Lender \$ Fee \$
	Lender MP Fee \$
	Net Remittance \$
Ending Balance \$	Ending Balance \$
	Next Pymt Due Date
	Next Int Adjst Date
Proof	

16



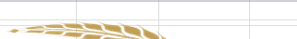
Collection Report Revisions

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R																																																						
																																																																							
<p>Lender Name: <u>ATZ Bank</u></p> <p>Seller ID: <u>US-1234</u></p> <p>Contact Name: <u>Jane Farmer</u></p> <p>Telephone #: <u>310-555-9999</u></p> <p>Email: <u>jane.farmer@conterra.com</u></p> <p>Date: <u>1/21/2015</u></p>																																																																							
<p>Important things to remember:</p> <ol style="list-style-type: none"> 1. Reporting is based on 100% of the loan (guaranteed & unguaranteed portions). 2. Early loans should be reported with a Total Payment of \$0.00. 3. For first payments, report from the Farmer Max Settlement Date. 4. On variable rate loans, invoice each rate adjustment on a separate file. 5. E-Mail completed report to: FarmerMax@conterra.com in excel format. 6. WinSOL tool is not restrictive clause to Conterra Asset Management 																																																																							
<table border="1"> <thead> <tr> <th colspan="2"></th> <th colspan="4">Interest Period</th> <th colspan="4">Loan Payment Received</th> <th colspan="2"></th> <th colspan="2"></th> <th colspan="2"></th> <th colspan="2"></th> </tr> <tr> <th>Farmer Max Series #</th> <th>Loan Payed Over Date</th> <th>Payment Received Date</th> <th>Beginning Balance</th> <th>Note Rate (%)</th> <th>From</th> <th>To</th> <th># of Days</th> <th>Interest</th> <th>Principal</th> <th>Total Payment</th> <th>USGA Guaranteed %</th> <th>Lender Service Fee (%)</th> <th>Lender MP Fee (%) (if applicable)</th> <th>Net Remittance due Farmer Max</th> <th>Ending Balance</th> <th>Next Payment Due Date</th> <th>Next Interest Adj Date (if applicable)</th> </tr> </thead> <tbody> <tr> <td colspan="18"> <p>12</p> <p>13</p> <p>14 Description of columns</p> <p>Due Date of Payment Date Balance % charged Date Day Count Interest Principal Interest + Principal FMAC % %/Y Retained by Lender (on Guar) MP Retained by Lender (on Guar) Total Payment X Guaranteed % Beginning Balance - Principal Due Date of Next Payment Next Date % is Scheduled to Adjust (only on ARM loans)</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p> </td> </tr></tbody></table>																				Interest Period				Loan Payment Received												Farmer Max Series #	Loan Payed Over Date	Payment Received Date	Beginning Balance	Note Rate (%)	From	To	# of Days	Interest	Principal	Total Payment	USGA Guaranteed %	Lender Service Fee (%)	Lender MP Fee (%) (if applicable)	Net Remittance due Farmer Max	Ending Balance	Next Payment Due Date	Next Interest Adj Date (if applicable)	<p>12</p> <p>13</p> <p>14 Description of columns</p> <p>Due Date of Payment Date Balance % charged Date Day Count Interest Principal Interest + Principal FMAC % %/Y Retained by Lender (on Guar) MP Retained by Lender (on Guar) Total Payment X Guaranteed % Beginning Balance - Principal Due Date of Next Payment Next Date % is Scheduled to Adjust (only on ARM loans)</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p>																	
		Interest Period				Loan Payment Received																																																																	
Farmer Max Series #	Loan Payed Over Date	Payment Received Date	Beginning Balance	Note Rate (%)	From	To	# of Days	Interest	Principal	Total Payment	USGA Guaranteed %	Lender Service Fee (%)	Lender MP Fee (%) (if applicable)	Net Remittance due Farmer Max	Ending Balance	Next Payment Due Date	Next Interest Adj Date (if applicable)																																																						
<p>12</p> <p>13</p> <p>14 Description of columns</p> <p>Due Date of Payment Date Balance % charged Date Day Count Interest Principal Interest + Principal FMAC % %/Y Retained by Lender (on Guar) MP Retained by Lender (on Guar) Total Payment X Guaranteed % Beginning Balance - Principal Due Date of Next Payment Next Date % is Scheduled to Adjust (only on ARM loans)</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p> <p>28</p> <p>29</p> <p>30</p> <p>31</p>																																																																							

New Payment Remittance Procedures

- Starting with the July payment cycle:
 - Collection Reports are due by the 10th day of each month
 - Report paid off loans immediately
 - Email reports to FarmerMac@ConterraAg.com
 - » Place seller name and Seller ID# in the subject line of the email.
 - » Collection report should also contain seller name and Seller ID#.
 - **Submit reports in an excel format**

	A	B	C	D	E	F	G	H	I	J
1	Lender Name:	XYZ Bank								
3	Seller #:	IA-1234								
5	Contact Name:	Sue Farmer								
7	Telephone #	515-555-9999								
9	Email:	sue.farmer@farmer.com								
11	Date:	1/1/2001								
13										



The logo for CON TERRA ASSET MANAGEMENT features a stylized golden wheat stalk graphic above the company name. The name 'CON TERRA' is in a large, bold, serif font, with 'ASSET MANAGEMENT' in a smaller, all-caps sans-serif font below it, separated by horizontal lines.

New Payment Remittance Procedures

- Starting with the July payment cycle:
 - Collection Reports are due by the 10th day of each month
 - Email reports to FarmerMac@ConterraAg.com
 - » Place seller name and Seller ID# in the subject line of the email.
 - » Collection report should also contain seller name and Seller ID#.
 - **Submit reports in an excel format**

	I	J	K	L	M	N	O	P
				<i>Important things to remember:</i>				
				1. Reporting is based on 100% of the loan (guaranteed & unguaranteed portions).				
				2. Tardy loans should be reported with a Total Payment of \$0.00.				
				3. For first payments, report from the Farmer Mac Settlement Date.				
				4. On variable rate loans, itemize each rate adjustment on a separate line.				
				5. E-Mail completed report to: FarmerMac@ConterraAg.com in excel format				
				6. Wire/ACH total in Net Remittance column to Conterra Asset Management				



New Payment Remittance Procedures

- Conterra will send an email to the Seller indicating the Collection Report has been received
- Conterra will send a confirmation email that loan data has been reconciled and no further action is needed
 - Seller should remit the amount specified in the confirmation email
 - If payment status changes (reallocation, insufficient funds, etc.) inform Conterra immediately
- If the Collection Report contains discrepancies
 - A report will be sent back to the Seller detailing items that need to be resolved
 - Further emails or phone conversations will follow

New Payment Remittance Procedures

- Sellers may remit funds to Conterra anytime prior to the 18th of each month
 - The amount due will be the total of all net remittance amounts on Collection Reports processed for the upcoming security payment date
 - All funds remitted by a Seller must be received no later than the 18th of each month
 - » If the 18th falls on a non business day funds must be received the last business day prior to the 18th
 - » ACH transfers need to be initiated on the 17th of each month so Conterra receives the payment on the 18th
 - » Wire transfers need to be received on the 18th of each month

New Payment Remittance Procedures

- Conterra's preference is to receive and send funds via ACH
 - Wire transfer is also available
 - Sellers are responsible for initiating all ACH or wire transfers
 - Conterra's ACH and wire account information and instructions will be provided
- Management Premium Fees (MP Fees) will be netted out of remittance by the seller.
 - For DQ loans Conterra will advance MP Fees to the seller if requested
 - More information forthcoming from Farmer Mac

Collection Report Examples

Farmer Mac Series #	Loan Pmt Due Date	Payment Received Date	Beginning Balance	Note Rate (%)	Interest Period			Loan Payment Received			USDA Guaranteed %	Lender Service Fee (\$)	Lender MIP Fee (\$)	Net Remittance due Farmer Mac	Ending Balance	Next Payment Due Date	Next Interest Adj Date
					From	To	# of Days	Interest	Principal	Total Payment							
17. Description of columns																	
	Due Date of Payment Being Remitted	Date payment received	Balance Before Payment	% charged during period	Date Interest From	Date Interest Paid To	Day Count For Interest From/To	Interest Received	Principal Received	Interest + Principal	FARMAC %	S/I Retained By Lender (on Guar Portion)	MIP Retained By Lender (on Guar Portion)	Total Payment X Guaranteed % - Lender S/I - Lender MIP	Beginning Balance - Principal Received	Due Date of Next Payment to be Remitted	Next Date % is Scheduled to Adjust (only on ARM loans)
Examples:																	
(FM Series #)	7/1/2014	7/1/2014	500,000.00	6.00%	4/1/2014	7/1/2014	91	6,227.40	4,250.00	12,477.40	90%	111.07	-	11,118.99	345,750.00	10/1/2014	
Payment of \$22,477.40 received from borrower on adjustable rate loan																	
(FM Series #)	10/2/2014	10/2/2014	1,250,000.00	3.00%	7/1/2014	8/1/2014	31	3,184.51	-	3,184.51	90%	85.99	-	2,765.45	1,250,000.00		
(FM Series #)	10/2/2014	10/2/2014	1,250,000.00	2.97%	8/1/2014	9/1/2014	31	3,133.08	-	3,133.08	90%	85.99	-	2,751.78	1,250,000.00		
(FM Series #)	10/2/2014	10/2/2014	1,250,000.00	3.00%	9/1/2014	10/1/2014	30	3,133.58	25,000.00	28,133.58	90%	83.22	-	25,236.99	1,225,000.00	1/1/2015	11/1/2015
Payment of \$80,000 received from borrower - MIP fee due seller																	
(FM Series #)	4/1/2014	3/28/2014	800,000.00	5.50%	4/1/2013	3/28/2014	361	43,517.83	36,482.19	80,000.00	90%	640.90	27.06	75,532.04	765,517.81	4/1/2015	
Additional Payment of \$90,000 received from borrower last payment received 10/1/13																	
(FM Series #)	4/1/2014	2,135,000	4.25%	10/1/2013	4/1/2014	182	49,906.64	40,093.36	90,000.00	90%	951.14	40.14	80,008.68	2,114,908.64	10/1/2014		
Payment of \$40,000 received from borrower - payment does not cover full per diem amount																	
(FM Series #)	3/1/2014	3/28/2014	1,300,000.00	8.25%	9/1/2013	12/28/2013	117.96	40,000.00	0.00	40,000.00	90%	392.73	14.54	35,590.49	1,300,000.00	3/1/2014	
Notes: Full per diem not collected																	

Conterra Contact Information

- All contact information can be found at www.Conterraag.com
- Email address for remittance reports and communication to Conterra staff
 - farmermac@conterraag.com
- Toll Free Phone Number
 - (855) 381-3451
- Address
 - 7755 Office Plaza Drive, North, Suite 195
 - West Des Moines, Iowa 50266

QUESTIONS?